

ANALYST
R. J. REYNOLDS TOBACCO USA
EXPRESS CHECKLANE DISPLAY PLAN

R. J. Reynolds Tobacco USA (RJR) is pleased to announce the following display plans effective May 1, 1989, for stores which sell 300+ CPW primarily by the carton.

General Requirements for Participation:

- Retail store must have a minimum of 3 checklanes of which one is designated as an Express Checklane.
- The Express Checklane, as defined by RJR, is an open, active checklane that is identified to the consumer as the primary location where purchases of limited quantities are made. Final approval of an acceptable display position will be determined by RJR representative.

Payments will be made on a quarterly basis as follows, all payments shown per month per store.

ECD Special Rate \$ 50.00

MONTHLY PAYMENT CALCULATION GRID			
Volume Category	Cigarette Volume	Plan A	Plan B
1	300-499	\$70.00	\$50.00
2	500+	\$100.00	\$80.00

Cigarette volume will be determined by the average total weekly sales of all brands of cigarettes during the most recent three-month period.

Specific Requirements:

RJR will furnish a specially designed merchandiser for the plan selected by the retailers:

Plan A

- The display section of the merchandiser may, at the discretion of the R. J. Reynolds Tobacco USA representative, be periodically used to display RJR package and/or carton promotions exclusively.
- The merchandiser will contain both RJR full priced and value priced package and/or carton brands exclusively.
- The merchandiser may contain non-competing front-end items, as determined by an R. J. Reynolds Tobacco USA representative.
- The merchandiser will be positioned at the Express Checklane.

Plan B

- The display section of the merchandiser may, at the discretion of the R. J. Reynolds Tobacco USA representative, be periodically used to display RJR package and/or carton promotions exclusively.
- The merchandiser will contain both RJR full priced and value priced package and/or carton brands.
- The merchandiser may contain industry cigarette package brands and other front-end items, as determined by an R. J. Reynolds Tobacco USA representative.
- The merchandiser will be positioned at the Express Checklane.

Only one display plan may be selected by any one store.

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R. J. REYNOLDS TOBACCO USA
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Retailer will continuously maintain an adequate display of designated brands carried by the retailer, as selected by R. J. Reynolds Tobacco USA. Displayed brands must be unobstructed and self-service to the consumer.

Brand selection will correspond to the riser card promotional messages which will be periodically changed at the discretion of R. J. Reynolds Tobacco USA.

The retailer will not permit posters, shelf strips, decals, or other advertising, promotional, or informational materials, including those relating to the retailer's own products, to be affixed or appended to any part of the display fixtures except those agreed to by a R. J. Reynolds Tobacco USA representative.

Retailer will permit R. J. Reynolds Tobacco USA's representative to make reasonable audits of performance and to inspect and rotate stocks of R. J. Reynolds Tobacco USA's products in stores under contract.

R. J. Reynolds Tobacco USA will make payments by check as soon as practicable after the end of the quarter. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due R. J. Reynolds Tobacco USA.

The attached contract will remain in effect, unless and until terminated by either party upon written notice delivered to the other. In the event of failure of performance by retailer, this contract may be terminated by R. J. Reynolds Tobacco USA forthwith and without notice.

This offer is extended pursuant to R. J. Reynolds Tobacco USA's general plan, that, in the judgment of the Company, is made available on proportionately equal terms to all competing retailers.

We, the undersigned retailer and R. J. Reynolds Tobacco USA, by signing below, thereby agree, for the type plan and stores designated below, to the terms and conditions of the R. J. Reynolds Tobacco USA Express Checklane Promotional Display Plan.

Store Name _____ RJR Account Number _____
(Please Print)
Street Address _____ RJR Territory Number _____
City/State _____ Zip _____

Call Classification _____ Branch (if chain) _____

ECD Special, Rate \$ 50.00

Volume Category	Plan	Number of Qualifying Stores	Total Quarterly Dollar Amount
<u>I</u>	<u>B</u>	<u>opened</u>	<u>\$</u>

1/18/93
Date Contract Signed
1/18/93
Contract Effective Date

Retailer's Signature *[Signature]*
Title: President
R. J. REYNOLDS TOBACCO USA
By: _____

Is your organization a corporation, government agency, or tax exempt? _____ (Yes/No)

If not, enter your TIN in the applicable space provided:

Individual Proprietorship: _____
(Social Security Number)

Partnership: _____
(Employer ID Number)

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